



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Governor

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February 7, 2000

Robert C. Kirk, Manager
Utah State Treasurer
251 Sate Capitol
Salt Lake City, Utah 84114

Re: Request for Release of Reclamation Surety Deposit, Red Beryl Projects, S/001/011 and S/001/012, Beaver County, Utah

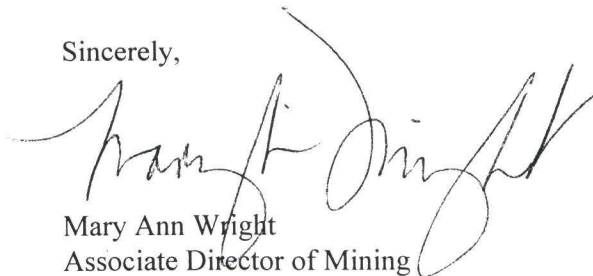
Dear Mr. Kirk:

On June 3, 1998, the Division forwarded a check (copy attached) from National Bank of Canada in the amount of \$37,500 made payable to the Utah Division of Oil, Gas and Mining (DOGM) and the USDI, BLM (Bureau of Land Management). This check served as an interim reclamation surety for the Red Beryl Projects operated by Gemstone Mining Company until their large mining application was approved. On January 27, 2000, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of replacement reclamation surety, and subsequently, on February 7, 2000, Gemstone Mining, Inc. was granted final approval of the large mining project.

This interim surety check was to be deposited in an account at Zions Bank on behalf of DOGM and the BLM. At this time, we hereby authorize release of the \$37,500 check plus any interest it has accrued, to be returned to Scott Wilkinson, Gemstone Mining Company, P.O. Box 3413, Cedar City, Utah 84721. The BLM Cedar City Field Office concurs with this release by letter dated January 28, 2000 (copy attached).

Thank you for your assistance in this regard. Please notify us when this surety has been returned to the operator.

Sincerely,



Mary Ann Wright
Associate Director of Mining

jb
cc: Ed Ginouves, BLM, Cedar City FO (UTU-68565 & UTU-68581)
Opie Abeyta, BLM, Utah State Office
Attachment: BLM 1/28/00 letter
Redberyl-check